Operational Contracting in Support of Operation Iraqi Freedom

LTC Robert Schumitz

20 April 2005

U.S. Army Contingency Contracting Conference

Who to Call?

- MAJ Eric Lachance 318-822-3141/3144

  eric.lachance@iraq.centcom.mil

  Asst. Operations Officer, Regional Contracting Command – Iraq

- MAJ Dave Kemmerer 318-822-2959/3144

  David.Kemmerer@iraq.centcom.mil

  Asst. Operations Officer, Regional Contracting Command – Iraq

- MSG Jesse Hammond 318-822-3140/3144

  jesse.hammond@iraq.centcom.mil

  Senior Enlisted Advisor

- LTC Bob Schumitz 318-822-3144/3148

  robert.schumitz@iraq.centcom.mil

  Commander, Regional Contracting Command – Iraq

AGENDA

- **Joint Contracting Command – Iraq (JCC-I)**
  - Mission
  - Organization and Regional Distribution
  - Issues and Actions
- **PARC – Reconstruction**
- **PARC – Forces**
  - Mission
  - Organization and Structure
  - Operational Planning
  - Contracting in Support of the Force
  - Issues and Actions
- **Points of Contact**

Mission

Provide responsive *operational contracting support* to the Chief of Mission and Multi-National Corps - Iraq to efficiently acquire vital supplies, services and construction in support of the Coalition Forces and the relief and reconstruction of Iraq.

Commander's Intent & Priorities

- **Warfighter focus**
- **Communications (Up, Down, Lateral)**
- **Assist with requirements development**
- **Use of simplified acquisition rules**
- **Documentation and completeness of contract files at**
- **Creative Solutions**
- **Candid Feedback**
- **Continuity Books**
- **Balance**

JOINT CONTRACTING COMMAND - IRAQ

JCC-I Evolution

DoD Operations (Post Conflict) | **Department of State** | **MNF-I**

Reconstruction

- Office of Reconstruction & Humanitarian Assistance
- RIO/RIE
- Oil for Food
- DFI funded requirements
  - Non-construction
  - Construction

Forces

- Contingency Contracting
- Life Support
- Force Protection
- Centralized Planning/ Decentralized Execution
- Establishment of Standardized Procedures

Jan 03 → Jun 04 → Jan 05

Reconstruction

- Iraq Reconstruction Management Office (IRMO)
- MNSTC-I
- PCO
- IRRF funded requirements
  - Non-construction
  - Construction

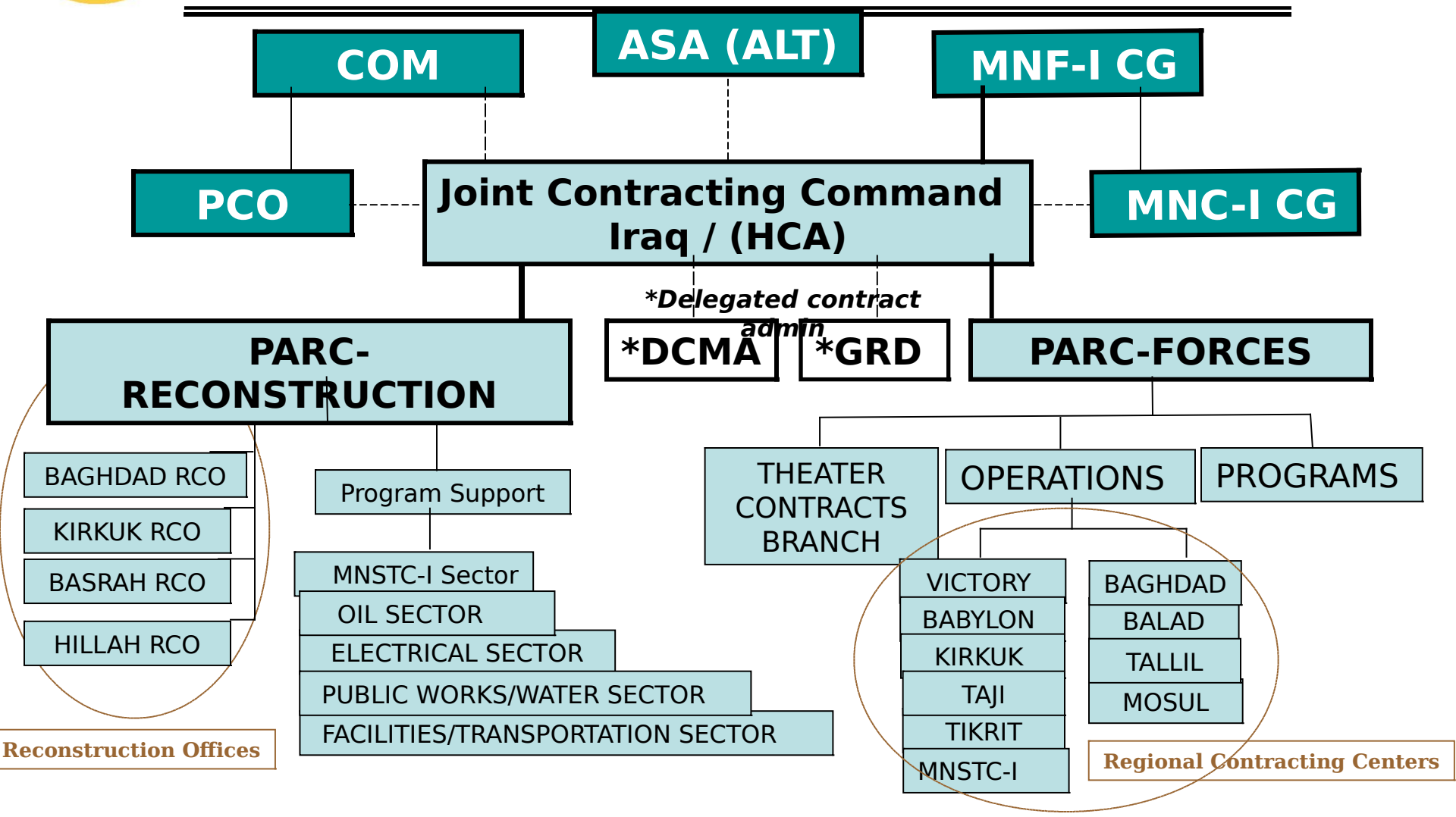
Forces

- Contingency Contracting
- Life Support
- Force Protection
- Centralized Planning/Decentralized Execution
- Establishment of Standardized Procedures

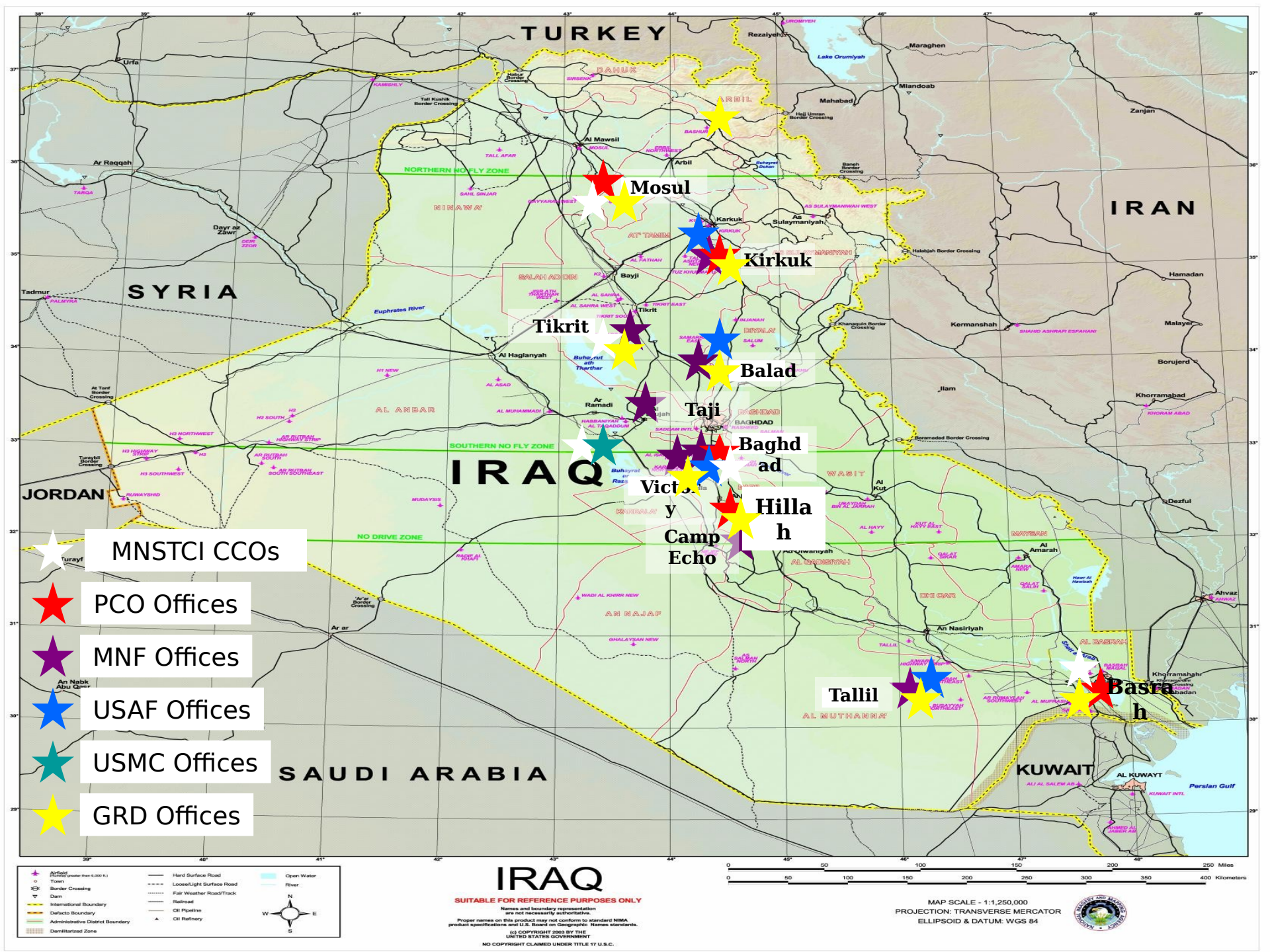
- Capacity Building
- Regional Contract Office
- Sustainment of Contract
- Transition to ITG capabi

Coalition Provisional Authority → Chief of Missions → Iraqi Transition Governme

JOINT CONTRACTING COMMAND - IRAQ



All CCOs attached to or imbedded with MNF/MNC-I units will be under TACON of PARC-Forces**. **All other DOD contracting activities operating in Iraq (AF, JSOTF, DIA, USACE) will develop coordinating

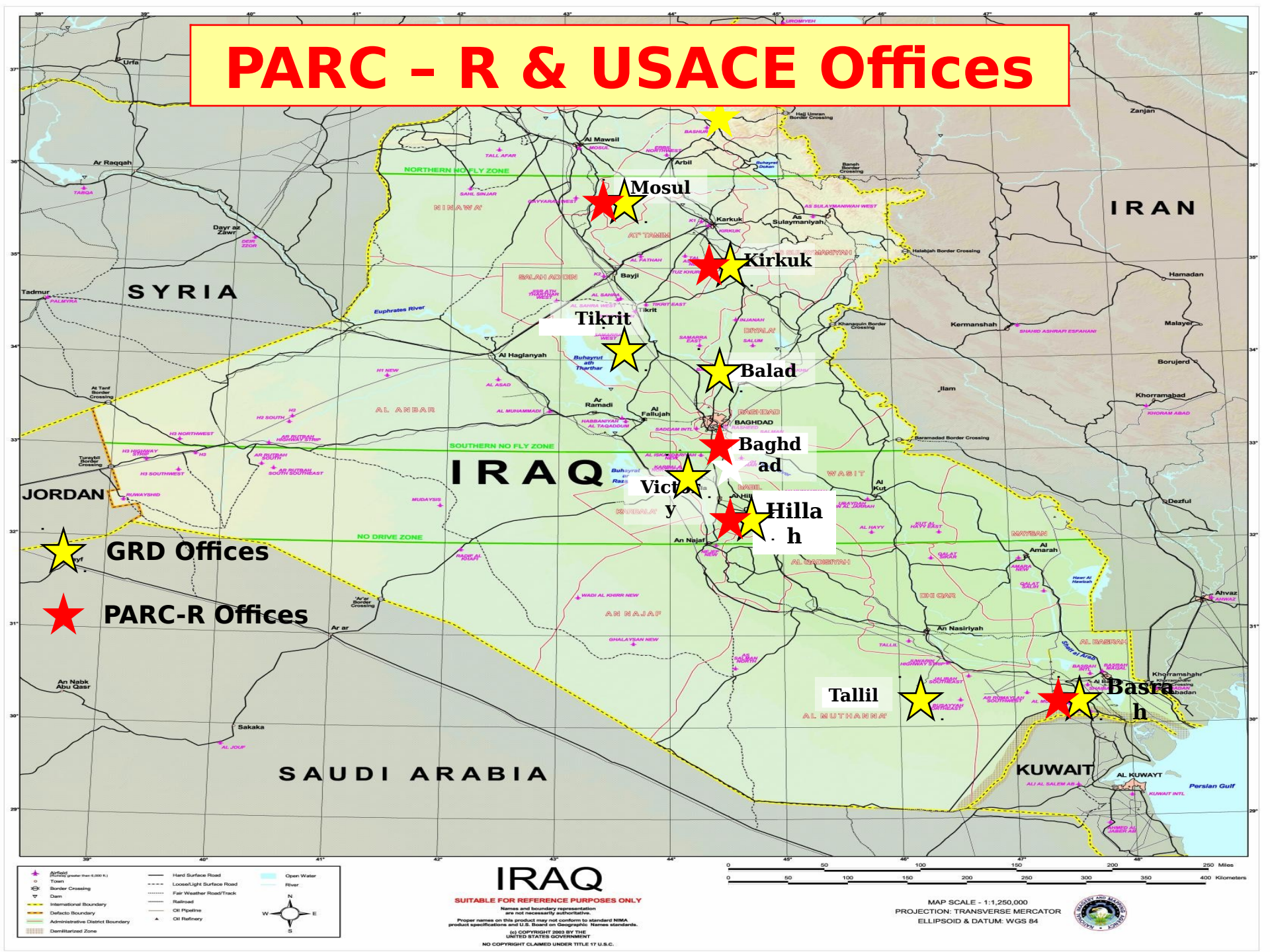

TURKEY
SYRIA
IRAN
IRAQ
JORDAN
SAUDI ARABIA
KUWAIT
Mosul
Kirkuk
Tikrit
Balad
Taji
Baghdad
Victory Camp
Hillah
Tallil
Basrah
NORTHERN NO FLY ZONE
SOUTHERN NO FLY ZONE
NO DRIVE ZONE
Euphrates River
MNSTCI CCOs
PCO Offices
MNF Offices
USAF Offices
USMC Offices
GRD Offices
IRAQ
SUITABLE FOR REFERENCE PURPOSES ONLY
Names and boundary representation are not necessarily authoritative.
Proper names on this product may not conform to standard NIMA product specifications and U.S. Board on Geographic Names standards.
(c) COPYRIGHT 2003 BY THE UNITED STATES GOVERNMENT
NO COPYRIGHT CLAIMED UNDER TITLE 17 U.S.C.
MAP SCALE - 1:1,250,000
PROJECTION: TRANSVERSE MERCATOR
ELLIPSOID & DATUM: WGS 84

Close Fight

- Full Stand-Up of Command
  - Integration of Joint Manning Documents
  - Establish relationships with new players
- Achieve greater economies of scale among theater contracting forces
- Evaluate contractor performance via earned value management metrics
- Educate Iraqi ministries on acquisition concepts

Deep Fight

- Assist Iraqis in becoming more self-reliant
- Establish end-to-end electronic procurement process
- Training
  - Forces (Contracting Officer Representatives, requirements development)
  - Iraqi Ministries
- JCC-I Model for all COCOMs (Lessons learned)


PARC – R & USACE Offices
Mosul
Kirkuk
Tikrit
Balad
Baghdad
Victory
Hillah
Tallil
Basrah
GRD Offices
PARC-R Offices
IRAQ
SYRIA
IRAN
JORDAN
SAUDI ARABIA
KUWAIT
NORTHERN NO FLY ZONE
SOUTHERN NO FLY ZONE
NO DRIVE ZONE
Euphrates River
Persian Gulf
IRAQ
SUITABLE FOR REFERENCE PURPOSES ONLY
Names and boundary representation are not necessarily authoritative.
Proper names on this product may not conform to standard NIMA product specifications and U.S. Board on Geographic Names standards.
(c) COPYRIGHT 2003 BY THE UNITED STATES GOVERNMENT
NO COPYRIGHT CLAIMED UNDER TITLE 17 U.S.C.
MAP SCALE - 1:1,250,000
PROJECTION: TRANSVERSE MERCATOR
ELLIPSOID & DATUM: WGS 84

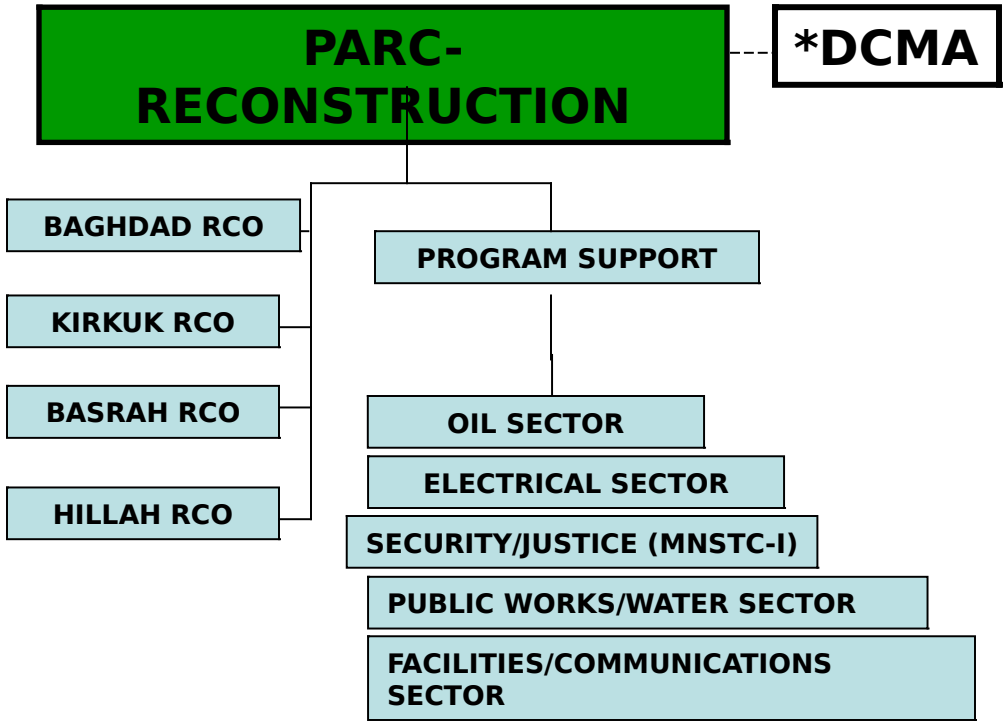
JOINT CONTRACTING COMMAND - IRAQ

PARC - Reconstruction

Mission: **Responsive operational contracting support to acquire vital construction, supplies and services for the Project and Contracting Office (PCO), MNSTC-I and DOS**

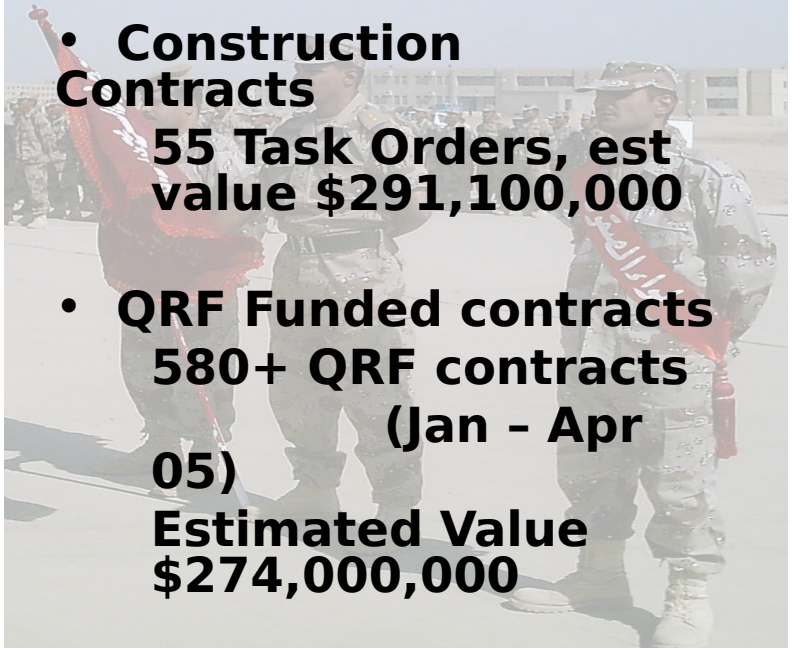
Responsibilities include:

1) **Provide operational contracting support to the PCO, DOS, GRD and MNSTC-I**
2) **Advise requiring activities on acquisition options and provide sound business guidance**
3) **Ensure compliance with procurement laws, rules and regulations**
4) **ProvideContracting Officers Warrants**
5) **Design Build Construction Contracts**
6) **Rapid Construction Initiatives**
7) **Large Scale CERP Project Support**



Security and Justice

- 24 Life support contracts
  - Estimated current value $650,000,000
- Construction Contracts
  - 55 Task Orders, est value $291,100,000
- QRF Funded contracts
  - 580+ QRF contracts (Jan – Apr 05)
  - Estimated Value $274,000,000



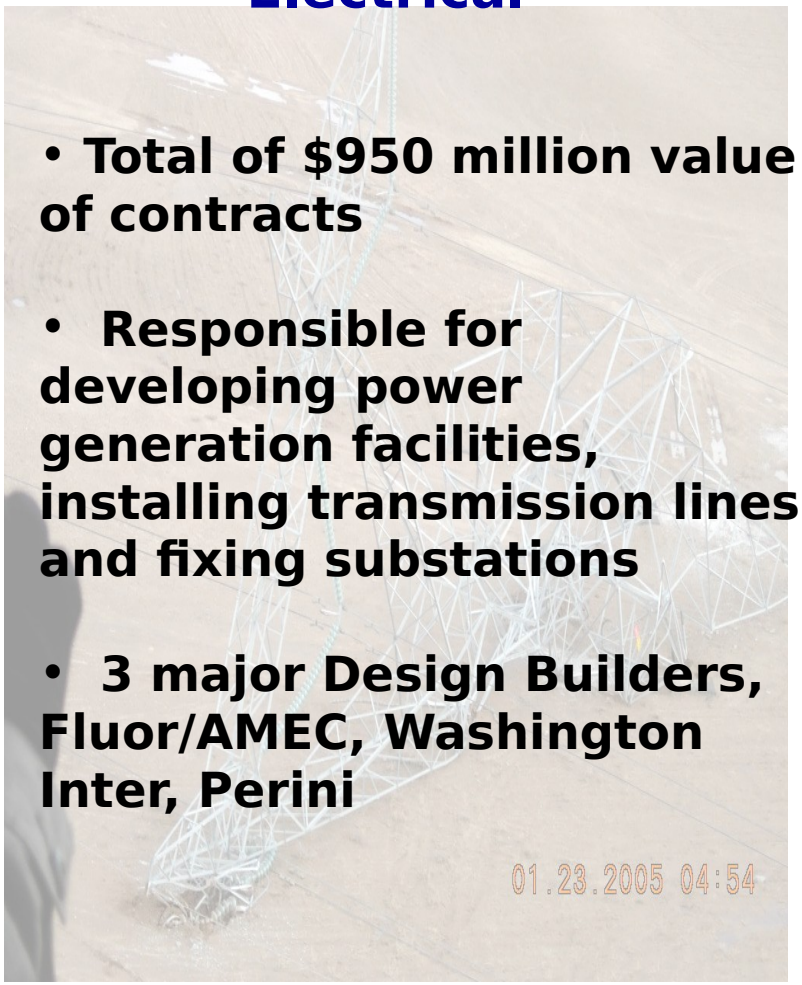
Facilities/Transportation

- Total $913 million value of contracts
- Responsible for building Iraq-wide hospitals (20), public healthcare centers (150), and 3 public buildings
- Responsible for building prisons (2 new major facilities) and firefighting stations
- Responsible for Iraq-wide warehousing and distribution network for all reconstruction supplies entering into Iraq

Construction planning requires embedding contracting teams early!

PARC - Reconstructio

Electrical

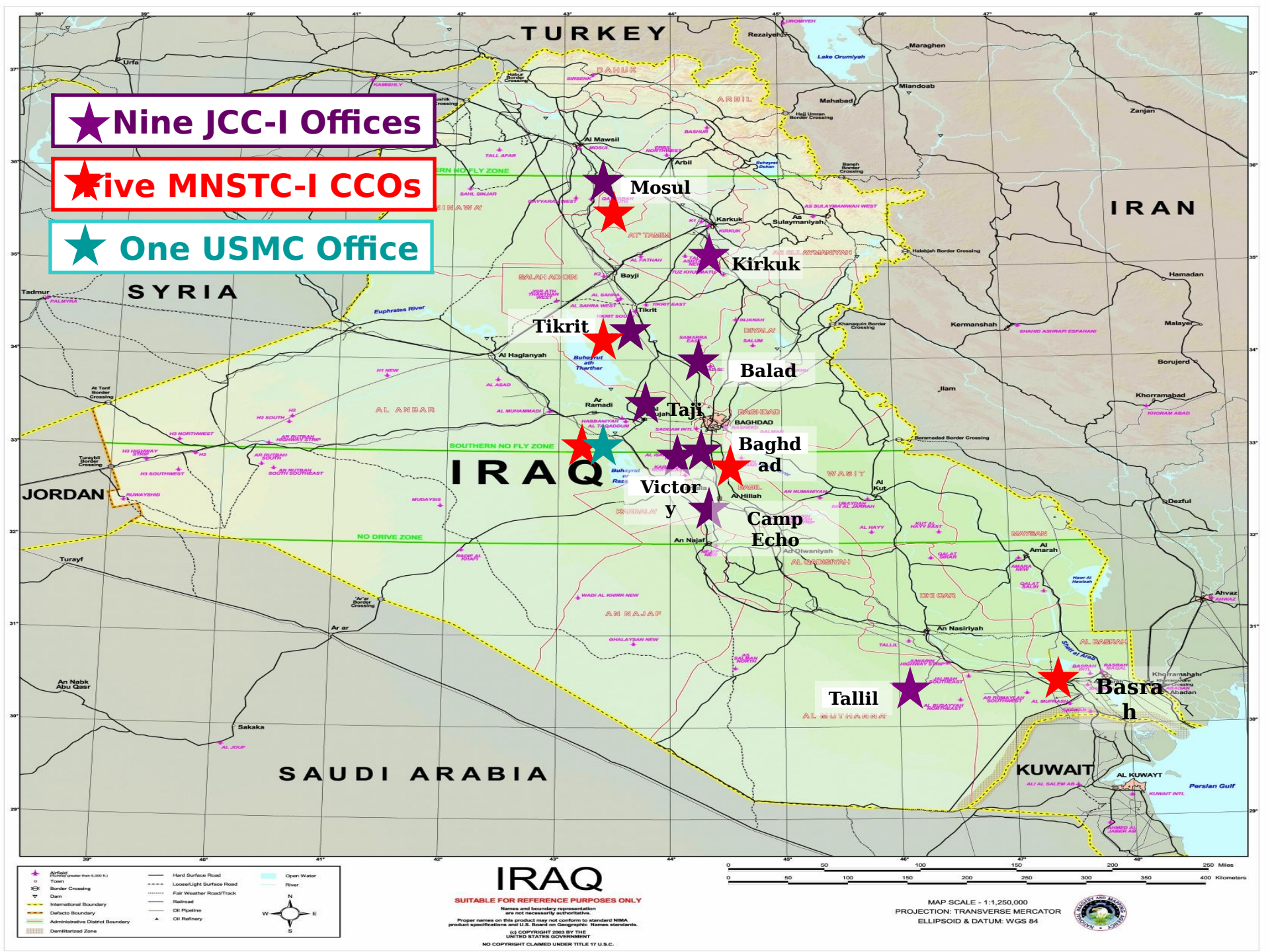


- Total of $950 million value of contracts
- Responsible for developing power generation facilities, installing transmission lines and fixing substations
- 3 major Design Builders, Fluor/AMEC, Washington Inter, Perini

Oil

- Total of $2B value of contracts
- Rebuild failing infrastructure for oil industry
- Engineer, procure, construct & commission plants ranging from oil drilling, transportation, refinement
- 2 major Design Builders, KBR & Parsons Iraqi Joint Venture

Construction planning requires embedding contracting teams early!


Nine JCC-I Offices
Five MNSTC-I CCOs
One USMC Office
Mosul
Kirkuk
Tikrit
Balad
Taji
Baghdad
Victory
Camp Echo
Tallil
Basrah
TURKEY
IRAN
SYRIA
IRAQ
JORDAN
SAUDI ARABIA
KUWAIT
SOUTHERN NO FLY ZONE
NO DRIVE ZONE
Euphrates River
Persian Gulf
IRAQ
SUITABLE FOR REFERENCE PURPOSES ONLY
MAP SCALE - 1:1,250,000
PROJECTION: TRANSVERSE MERCATOR
ELLIPSOID & DATUM: WGS 84

- **Mission**

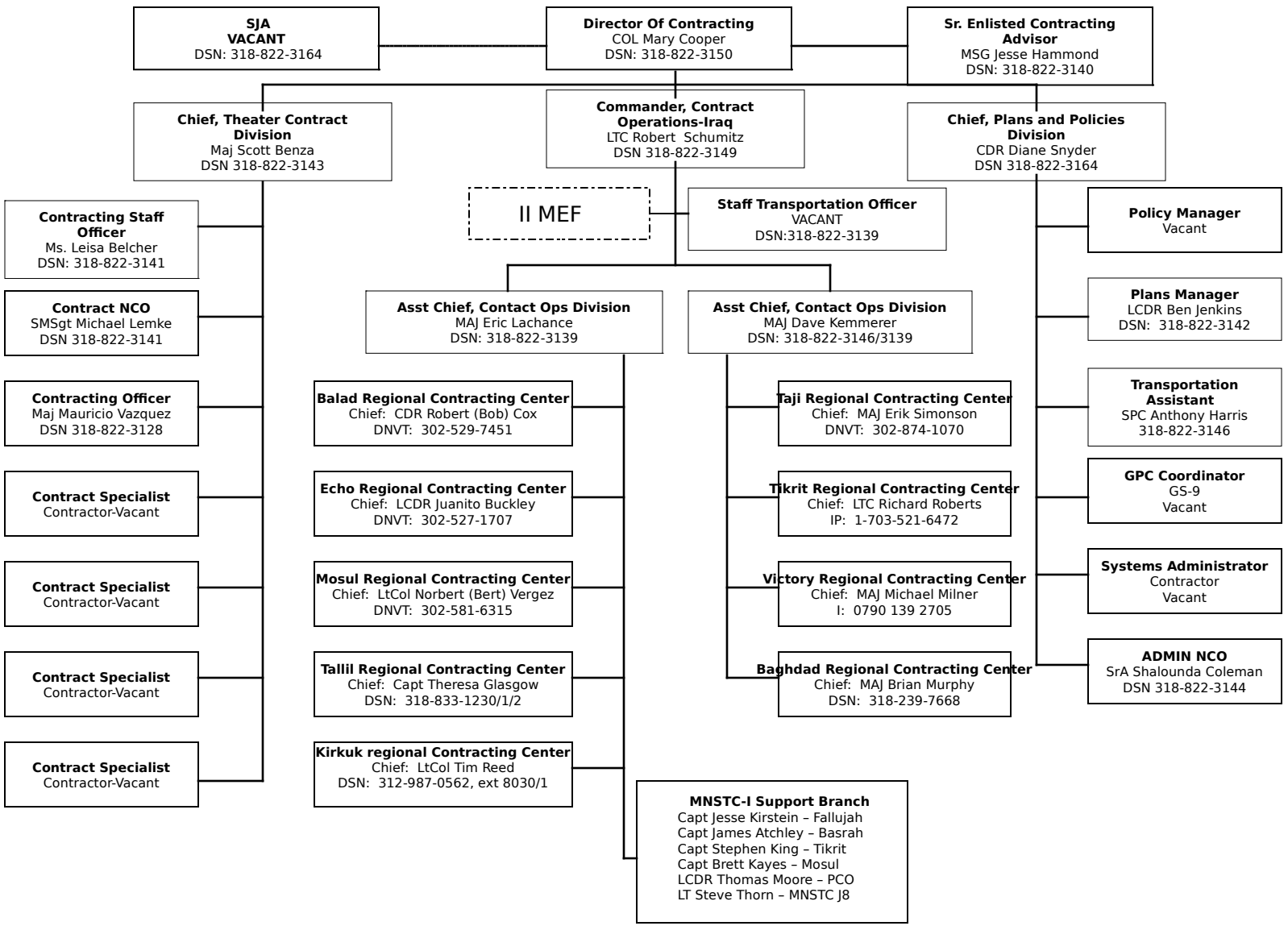
  Provide responsive contracting support to efficiently acquire vital supplies, services, and construction in support of coalition forces assigned to MNF-I

- **Vision**

  Through a comprehensive understanding of MNF-I mission requirements and pro-active interaction with customers, PARC-FORCES will provide sound business advice and superior contracting support to MNF-I and its subordinate commands

JOINT CONTRACTING COMMAND - IRAQ

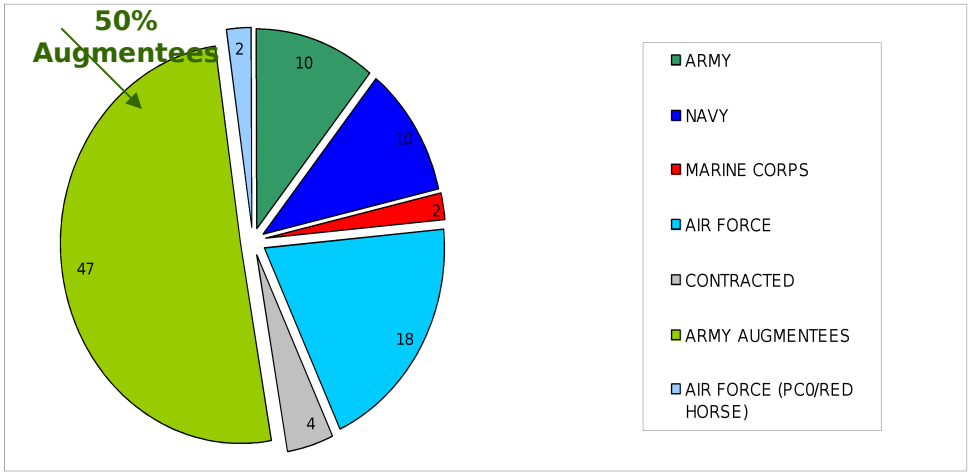
PARC-Forces



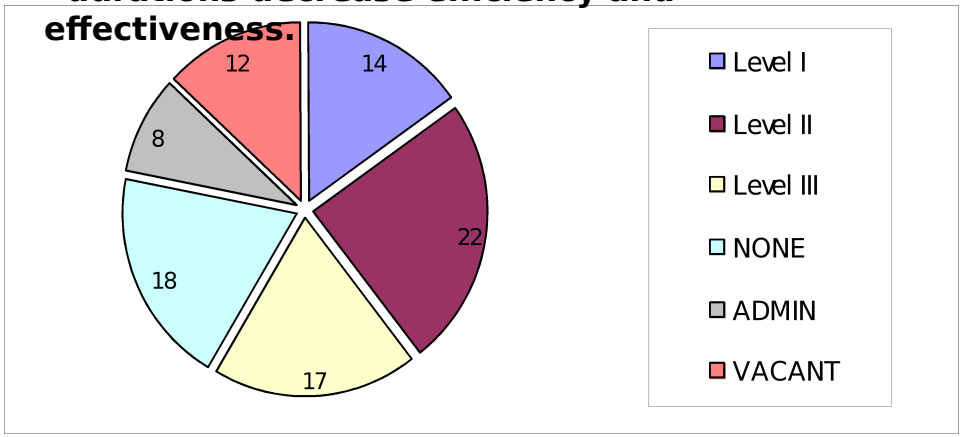
JOINT CONTRACTING COMMAND - IRAQ

Total Manpower by Service

- **Operating in a Joint Environment**
- **Deployment Manning Considerations:**
  - USAF: 4 Months
  - USA: 6 Months/1 year
  - USN: 6 Months
  - USMC: 7 Months
- **Employment Considerations:** Office workload, office history, operational plans, SAF results, CCO skill sets
- **Ratings:**
  - OPCON per CENTCOM FRAGO 09-668
  - NCOs: Rater in RCC, SR by RCC Chief or PARC dependent on position
  - CPTs Rated by office chief or organic CMD; SR by the PARC
  - MAJ/LTC Rated by office chief or organic CMD; SR by CG, JCC-I
- **Preparation for Deployment:**
  - Need to be familiar with PD2
  - Read in advance: ACQ Instr, LOGCAP Users Guide, COR Course, Customer Hand Book, Pertinent FRAGO's, Understand the JARB FRAGO and process
  - RSOI Coverage
  - BPAs & Minor Construction
  - FOO Intimate Knowledge



*** Limited Experience Levels and unique deployment durations decrease efficiency and effectiveness.**



JOINT CONTRACTING COMMAND - IRAQ

Non-JMD Army CCOs

MSC/Unit CCOs	NOW	JUN	JUL	AUG	SEP	OCT	NOV	2005 DEC	2006 JAN	FEB	MAR	APR
OIF III Units												
3 ID	18	18	18	18	18	18	18	18	18			
1st COSCOM/CSGs	9	9	11	11	11	11	11	5	5	5		
CSGs	1	1	1	1	1	1	1					
ASGs	2	2	2	2	2	2	1					
42 ID	1	1	1	1	1	1	1					
10th MTN (BDE)	1	1										
2 SBCT	1	1	1	1	1							
AMC	1											
ARNG	1	1	1	1	1	1	1	1				
SUB Total	35	34	35	35	35	34	33	24	23	5		
OIF IV Units												
3rd COSCOM (*)							6	6	6	6	6	6
101st AASLT						15	15	15	15	15	15	15
4th ID (*)									3	3	3	3
3 SBCT					2	2	2	2	2	2	2	2
10th MTN (1BDE) (*)					2	2	2	2	2	2	2	2
1AD (*)								2	2	2	2	2
1ID (1 BDE) (*)								1	1	1	1	1
Others (AMC, ASG..) (*)							3	3	3	3	3	3
SUB Total					4	19	28	31	34	34	34	34
Total	35	34	35	35	39	53	61	55	57	39	34	34
Note: (*) = Best guess												

Extra OPTEMPO Burn

Operation Plan to Contracting Suppo

MNC-I

- Increase ISF Responsibility for Fight as Capabilities Increase
- Turn Over Country and Base Structure to ISF (Base Closure & Consolidation)
- Support Advisor Teams Embedded in ISF

PARC-FORCES

- Contract Support for ISF as Logistics Stands up
- Train and Assist MOD with Contracting
- Terminate Contracts/Move Offices
- Special FOOs and Iraqi Support FOOs

Expectations

Commander Expectations of CCO:

- Business Advisor
- Ethical
- Non-bureaucratic with “Can-Do” attitude
- Understands Operational and Logistical Plans/Needs
- Can translate requirements into contracting strategies

CCO Needs from Commander:

- Support CCOs writing contracts in compliance with public laws
- Reinforce to units the need for proper staffing of requirements
- Reinforce the need for accountability of supplies and services provided by
- Keep from being in TOC to allow CCO maximum time to write contracts
- Reinforce with units the need for skilled soldiers to act as FOOs and CORs

Typical Requirements

Routine Procurements

- End items (commodities)
  - Computers - Furniture
  - Office supplies - Equipment
  - Gravel/Sand
  - Cleaning supplies
- Services
  - Leases - Janitorial
  - Vehicle maintenance - Waste water
  - Food - Refuse
  - Ground maintenance - Laborers
  - Equipment repair
- Construction
  - Renovation - Alteration
  - A&E design - New facility
  - Demolition - Environmental

Centralized Procurements

- DoD Contractor Badging
- Bottled Water Plants
- CAT Parts BPA
- IPBO Personal Services
- Aerial Surveillance
- Phone Services
- Containerized Housing Unit BPA
- Environmental

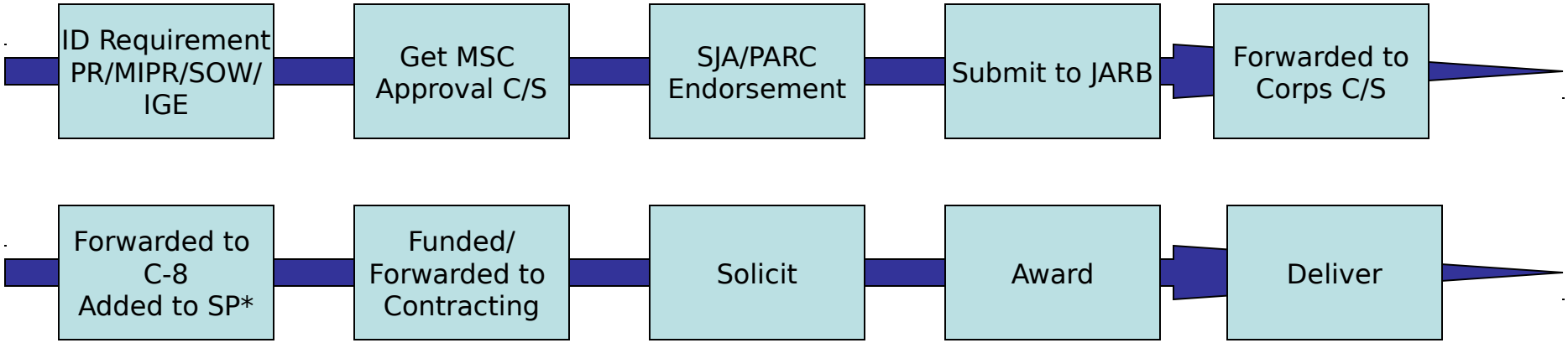
JARB Process

- The JARB is a **requirements verification board** that **all MNC-I units must go through to get funding** for identified requirements.
- The MNC-I C of S is the final approval authority for all JARB items.

- All requirements > $200K are JARB'd as well as other special items
- Special Items:
  - C & E Equipment & Services
  - Engineer equipment
  - Force Protection Items
  - Facilities
  - Electric power generation
  - Relocatable buildings
  - Reefer Vans, storage containers
  - NTVs, ATVs
  - LOGCAP >$50k
  - MTOE Items
  - MWR >$50k
  - PSK (translators)

- Staff coordination required prior to JARB, staff coordination with:
  SJA PARC
  DCMA (LOGCAP) C-1
  C-4 C-6
  C-7
- Staff validated packets are reviewed electronically w/i 72 hrs by JARB
- 5 voting members; majority rules
- Approval = funding; items can go on UFR list
- If approved for funding, units add to the next month's spend plan

JARB Process



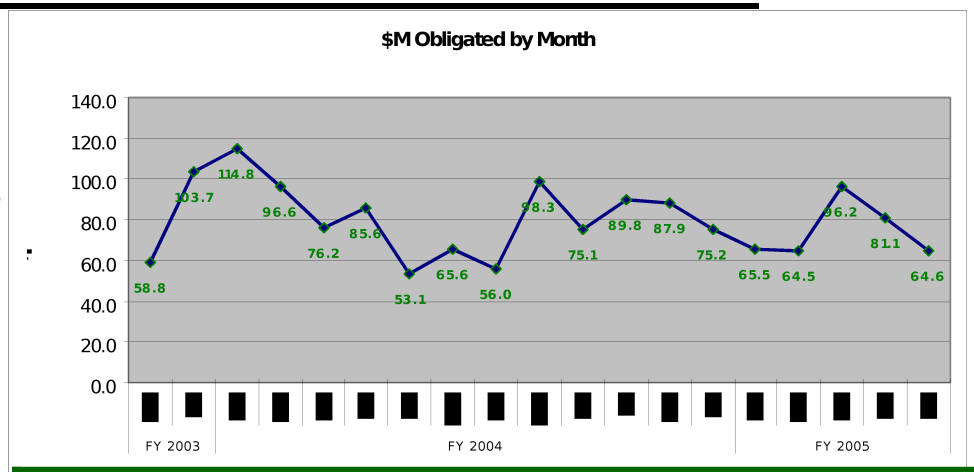
* If over $10 Million – Super CARB (add a month)

Large $ = Long Time

Contracting Gets Credit for all the time Taken in this process

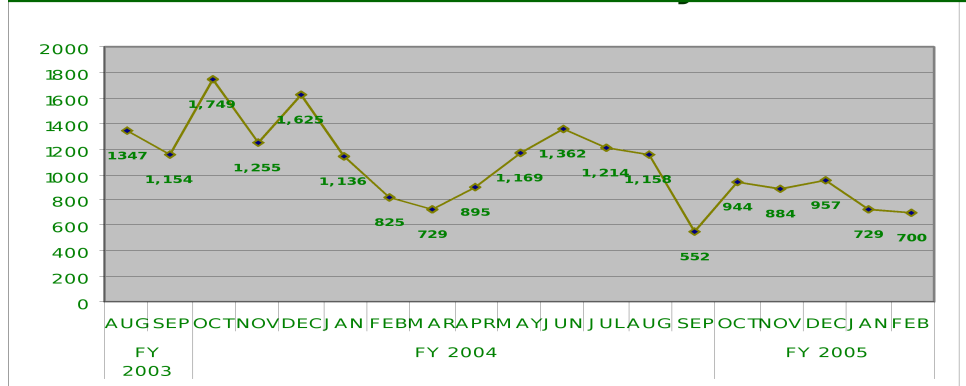
Contracting Metrics and Support

- Coalition Support Only: Regional Basis/Area Support
- Dollars/Workload Decreasing: Why?
- Key Contract Actions
  - Force Protection/Security
  - Services
  - Life Support
  - Minor Construction
  - ISF Support
- Issues
  - Clean Up Past Contracts
  - Competition Between Contracting Offices: Commodities & Services
  - Iraqi Vendors
    - Inshallah
    - Violence/Intimidation



Average $ Obligated per Month

FY03 $81.3M FY 04 $81.2M FY05 $76M



Average Number of Contracts per Month

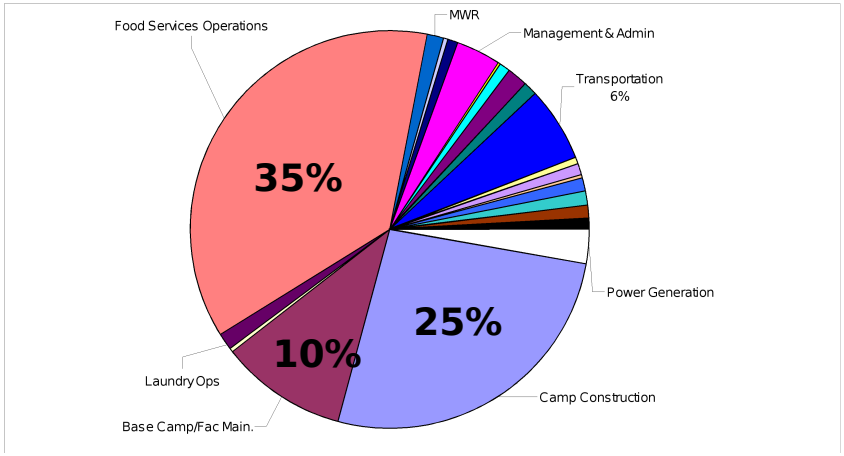
FY03=1251 FY04=1139 FY05=843

JOINT CONTRACTING COMMAND - IRAQ

Sustainment Contracting

- **Insight into the basing and force structure + desired end states and project scopes**
- **Operational planning and execution timelines for large $ contracts**
- **Insight into the details of the force's life support and mission sustainment plans**
- **Vision for LOGCAP follow-on and a plan for direct contracting off-ramps**
- **Budget constraints + planning and execution guidance**
- **Development of an Iraqi (Gulf Region) vendor base for large projects (primes & subs)**
- **Stable operating environment**
- **Contracting skill set adjustment from CCO to Base ops (DAC core Competency)**
- **Program management and post award administration coupled with an intense COR/COTR program**

Task Order 59



Acquisition planning is required to off-ramp from LOGCAP:
Example:
-Food Service 35% = $2B
-$2B = 20 X $100M Ks or 40 X $50M Ks
- Acquisition Timelines
- Post award oversight
- CORs

Funding for Contracting

- **Operations and Maintenance (OMA)**
- **Commander's Emergency Response Program (CERP)**
- **Commander's Humanitarian Relief & Reconstruction Program (CHRRP)**
- **Iraq Relief and Reconstruction Funds (IRRF)**
  - **Quick Reaction Funds (QRF)**
- **IIG Matching Funds**

- Development Fund for Iraq (DFI)
- Accelerated Iraqi Reconstruction Program (AIRP)
- International Reconstruction Fund Facility for Iraq (IRFFI)

CERP Contracting

- Funds for designated for humanitarian projects for the Iraqi People
- No ISF Support (MNSTCI QRF)
- PR&C needed for Every Purchase
- Project Purchasing Officer and Paying Agent are CERP Team.
  - PPO Trained by Contracting Officer
  - Paying Agent Trained by Finance
- Must have:
  - Three Bids
  - Purchases under use SF44
  - Purchases over $100K signed by Warranted Contracting Officer (ME)

Business With US Government

- **Requirements over $25K competed & advertised**
  - **Competition sought to maximum extent possible**
  - **Three methods of advertisement:**
    - **At regional contracting location (bid boards)**
    - **Posted on www.iraqibusinesscenter.org**
    - **Posted on www.fedbizopps.gov**

- **Federal Acquisition Regulation (FAR) adjustments**
  - **Increased the micro-purchase limit to $25K.**
  - **Increased the Simplified Acquisition Threshold from $500K to $1M**

- **Contingency procedures**
  - **Early partnership with contractors**
  - **Performance-based requirements**
  - **Preference to Iraqi-based contractors**

- **Contractor capabilities**
  - **Establish meeting with regional contracting offices**
  - **Provide fact sheet about company (email accepted)**
  - **Proven performance counts**

Issues and Actions

Routine

- Unauthorized Commitments
- Customer Engagement
- Clearance of Product Through the Borders (Security)
- Transition of Iraqi Army Life Support
- Right Manning at the Right Place at the Right Time
- OPCON of MTOE CCOs

On the Horizon

- PD2 Implementation
- CERP Obligation
- Base Camp Consolidation/Closure
- Sustainment Contracting
- Planning for the Next RIP/TOAs
- Establishing EFT

Who to Call?

- MAJ Eric Lachance 318-822-3141/3144

  eric.lachance@iraq.centcom.mil

  Asst. Operations Officer, Regional Contracting Command – Iraq

- MAJ Dave Kemmerer 318-822-2959/3144

  David.Kemmerer@iraq.centcom.mil

  Asst. Operations Officer, Regional Contracting Command – Iraq

- MSG Jesse Hammond 318-822-3140/3144

  jesse.hammond@iraq.centcom.mil

  Senior Enlisted Advisor

- LTC Bob Schumitz 318-822-3144/3148

  robert.schumitz@iraq.centcom.mil

  Commander, Regional Contracting Command – Iraq